

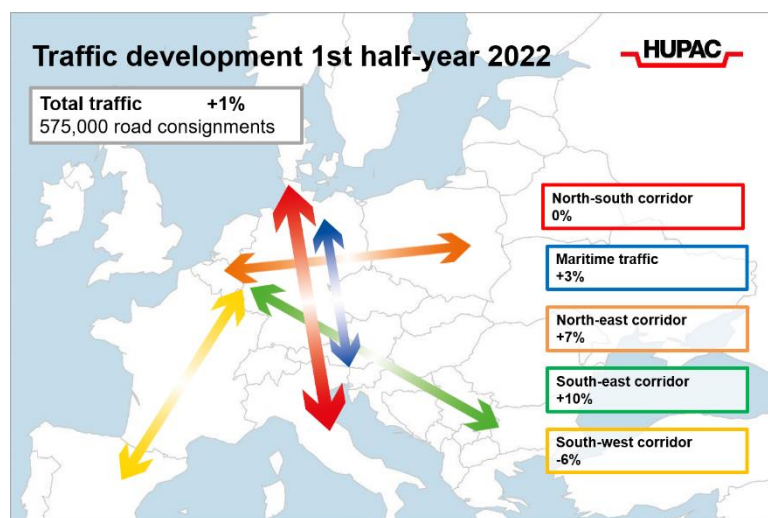
Traffic development 1st half-year 2022

## Infrastructure bottlenecks slow down combined transport

**Chiasso, 04.08.2022** Despite lively demand, Hupac's traffic in the first half of 2022 stagnated at the previous year's level with an increase of 1%. Construction activity in Germany in particular had a negative impact in the months of April and June.

### Growth targets not achieved

In the first half of 2022, traffic on Hupac's network achieved a volume of 575,000 road consignments, a small increase of 1% compared to the previous year. After a lively development in



the first quarter with monthly growth rates in the high single digits, traffic slumped in the months of April and June. This was due to route closures and capacity restrictions caused by the intensive construction activity on the Rhine-Alpine corridor. The segment of transalpine traffic through Switzerland was particularly affected. "In the north-south corridor, we were not able to achieve our set growth targets," explains Michail Stahlhut, CEO of the Hupac Group. "On the other hand, traffic in the north-east

and south-east corridors developed positively. Traffic in Spain remained below expectations due to capacity bottlenecks."

The situation in maritime transport remains tense. The pandemic-related congestion in overseas traffic is triggering negative cascading effects in the European seaports, in domestic terminals and in combined transport operations. In addition, there is the poor performance of the German rail network. Despite a 3% increase over the previous year, the subsidiary ERS Railways has not yet been able to reach pre-pandemic volumes.

### Hupac invests in resilience

Hupac is countering the ongoing difficult situation in the railway network in Germany with a 10-point "Contingency & Resilience" programme, which was presented at the General Assembly in May 2022. "Our response to the capacity restrictions caused by construction activity on the network are investments in reserves and emergency measures," says Michail Stahlhut. The first measures have already been implemented. By the end of the year, the wagon fleet will be significantly increased by the purchase and rental of almost 900 additional modules. A large number of these wagons are stationed as reserves at nodes in the network for use in the event of irregularities and thus contribute to the stability of the transport service.

Hupac is also strengthening its position in the traction sector. Performance is being improved by focusing on high-performance rail partners, deepening cooperation with SBB Cargo International,

securing additional train drivers to stand in on behalf of Hupac in the event of breakdowns and, last but not least, through proactive information and management. In the terminal area, the bottlenecks at the Busto Arsizio-Gallarate hub were overcome through active collection management of the loading units.

### **Securing capacity in the network, avoiding supply bottlenecks**

However, the central concern of the Hupac Group is to secure sufficient capacity in the railway network. For the upcoming construction work in the coming years, the focus must be increasingly on capacity-saving planning and on efficient diversion routes. The negative experiences of the last few months show that time-sensitive combined transport needs full train path capacity on a weekly basis, even during construction measures, in order to avoid supply bottlenecks.

"All parties involved in the transport chain must significantly increase their ambition for more capacity under the given circumstances," Stahlhut demands. A short-term switch to pure road transport is only possible to a small extent for combined transport customers. In particular, the extensive corridor renovations planned in the German network from 2024 onwards remain a risk for Europe-wide supply if construction measures are not planned in line with the market and functional rerouting concepts are not created. This can be prevented by improving the international coordination of construction sites along the entire corridors and, in some cases, by upgrading the diversion routes. Smaller measures such as additional switches, changes to operating rules, etc. can make a big difference and must be implemented as a priority.

### **Capacity preview for customers**

For the coming months, Hupac expects a satisfactory capacity offer with the current Covid-19 situation, despite the numerous construction sites on the Rhine-Alpine corridor. This is made possible by diversions, the strengthening of the offer on alternative relations and the provision of reserve compositions. Stahlhut: "We have understood our customers' request for more transparency and will provide a detailed capacity preview with monthly updates from August. This will enable transport companies and shippers to better manage traffic volumes even in the event of capacity restrictions."

### **Profil of the Hupac Group**

Hupac is the leading network operator in intermodal transport in Europe with a transport volume of 1.1 million road consignments per year. The offer includes 160 trains per day with connections between the major European economic areas as well as to Russia and the Far East.

Hupac was founded in 1967 in Chiasso/Switzerland. The Group includes 23 companies with locations in Switzerland, Italy, Germany, the Netherlands, Belgium, Poland, Russia and China. Hupac employs 630 people, has over 8,100 wagon platforms and operates efficient terminals at important European hubs.

**Media contact:** Irmtraut Tonndorf Director Communications & Marketing  
Tel. +41 58 8558020 Mob. +41 79 2934645 [itonndorf@hupac.com](mailto:itonndorf@hupac.com)